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Palace Hotel Yard Explosion

**Home-made Bomb Believed
Cause; Riot Vans Arrive;
Pedestrians Searched**

A terrific explosion at the rear of the Palace Hotel just before noon yesterday, thought to have been caused by a cigarette tin type bomb, sent lunch hour crowds on the Bund scampering for safety as police with drawn pistols dashed to the scene. Clouds of blue smoke drifting up from the yard at the rear of the hotel lent weight to the theory that a bomb had been thrown over the wall by someone wishing to rid himself of the dangerous object, probably on account of the close proximity of a police search party. Inside the yard, however, except for a few marks on the wall, there were no signs of there having been an explosion.

The explosion, which occurred at 11.50 a.m., was heard over a wide area, and a reporter from the "North-China Daily News" who arrived at the scene immediately after the detonation found the lane between the Chartered Bank building and the Palace Hotel jammed with a crowd of curious sightseers. Over the heads of the crowd a pall of blue smoke was being blown about by the breeze, but nowhere was there any sign of damage.

Inside the yard no splinters or evidence of a bomb having been thrown could be found, and an official of the Palace Hotel was at a loss to explain the cause of the explosion. The yard does not contain any articles such as gas containers, refrigerators or domestic appliances which are likely to explode through the heat and, therefore, the theory is held that a home-made bomb was thrown by a person or persons unknown in an effort to get rid of it quickly.

Riot Vans Arrive

An ambulance and police in bullet-proof jackets were quickly on the scene, followed by two riot vans. Working in separate parties the police, with drawn pistols, scoured the street, stopping all persons to search them for arms or other articles carried by the terrorists. Except for slight cuts on the back of the neck sustained by a Chinese in the yard at the time, no one was injured by the explosion and the services of the ambulance were not required.

The large lunch-hour crowds which visit the Palace Hotel each day had not arrived when the explosion occurred, but the few people who were sitting in the grill room, which adjoins the yard, were deafened by the noise of the explosion. Their fears, however, were quickly allayed when it became known that there was no danger and that nobody had been seriously injured.

An official of the hotel stated that after the explosion the yard was filled with a smell resembling that of acetylene, which, at first, made him think there had been an explosion in the kitchens. A glance around, however, showed no signs of this.

During the afternoon three Japanese constables of the S.M.P. and sentries from the Seaforth Highlanders were posted in the lane, and a sentry also stood at the Nanking Road entrance to the kitchens.

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Central
July 30th,

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12noon to 3p.m.
30-7-38.

Palace Hotel and vicinity
Detective Office.

Explosion which occurred inside a narrow
lane adjoining The Palace Hotel premises,
No. 19 The Bund 30-7-38.

At 12noon 30-7-38, S/Inspt. Liao Kwei Woo attached to Central Station, reported by telephone to the effect that an explosion had just occurred at the Palace Hotel, No. 19 The Bund which was believed to be the result of a bomb having been thrown at the premises.

The station alarm was immediately rung, which resulted in all available personnel of this station attending and proceeding to the scene, C/I Barry in charge.

Enquiries made by D. Inspt. Telfer, D.S. Guess, D.S.I. Yang Pei Sheng, C.D.S. 203, C.D.C. 148 and the undersigned, ascertained the followings:-

At 11.55a.m. 30-7-38, a loud explosion was heard to take place inside a narrow lane which extends along the South side of the Palace Hotel, whilst persons in the vicinity and employees of the hotel attracted by the noise attended the scene, saw large clouds of a bluish-grey coloured smoke filling the lane.

An employee of the hotel named Shien Shien Foo (徐新福) 19, Cook, who was at that time obtaining some fresh air after a period of employment in the kitchen, was proceeding West along the lane when in his rear he heard the explosion and was suddenly struck in the neck near to the base of his head, this employee immediately

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away from the scene of the explosion not being aware of what had taken place. The injury is very slight and was deemed by the injured person not to require treatment at a hospital.

Shortly afterwards when the smoke had cleared away F.S. Lawman attended the scene and found that apparently a bomb of some type had been thrown over a wall which is about 8 feet in height and extends towards the West along the South boundary of the Palace Hotel premises, dividing the hotel narrow lane which has an average width of about 5 feet from the lane which extends West on the North side of the Chartered Bank of India, Australia and China, No. 18 The Bund.

The bomb having apparently struck the South wall of the hotel about 4 feet from the ground and near to an iron barred window of the hotel provision and store rooms and about 30 feet West from the Bund.

F.S. Lawman after his arrival saw a large sized tin in the centre of which was embedded amidst a powdered substance such as cement, a cigarette tin which was also believed to be a bomb, this tin being found inside a box containing sand near to the place of the explosion, the article was immediately placed into a pail containing water to render it harmless.

^{when made}
Enquiries of persons in the vicinity and in offices

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of the bank overlooking this lane, ^{but} failed to locate any ^{who} person/admitted having observed any suspicious circumstances likely to be connected with this explosion.

The force of the explosion had caused numerous small pieces of the building wall and the lane wall surfaces to be chipped, a number of metal fragments believed to have been the contents of the bomb were found inside the lane, also a quantity of slightly yellow coloured pieces of glass, some discolored and torn pieces of a Chinese newspaper and one small length of red coloured string being found near to the scene of the explosion.

The manager of the hotel Mr. G. Herzl, the compradore Chang Moh Cheu *(signature)* and other hotel employees in positions of authority were questioned to ascertain if possible a motive for this bomb having been thrown at the premises, to which the only reason that could be offered was that the compradore was believed to have purchased quantities of Japanese products, but eventually when the compradore was located and interrogated it was found that the only Japanese purchases effected are made by a Mr. Hugo per telephone and that same are delivered to the hotel, this therefore would not appear to be the reason for this incident.

There has been no recent disturbances amongst the hotel staff likely to be attributed to the cause of this

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incident, and though there are a number of Japanese persons residing inside the hotel, their rooms are so situated as to be not near to the scene of the explosion, and they are considered not to be of such important rank that would justify any action as the above being taken against them by any persons.

Mr. C. Fletcher of the S.M.C./P.H. Dept. was communicated with and attended this station and examined the object obtained which had been removed to this Station and was believed to be a bomb, it being subsequently found that the cigarette tin also contained powdered cement and that same had apparently been left behind by employees of a building contractor who had renovated the hotel premises.

The fragments obtained were also examined by Mr. Fletcher and one jagged piece of metal and one piece of glass removed for examination, it being believed that same were part of the bomb thrown, which is considered to be of the cigarette tin (Cannister) type of bomb.

The scene of the explosion was again visited and a thorough search made to find if possible, parts of the cigarette tin used in the construction of the bomb, but same could not be found.

In view of the above and lack of a motive for the bombing being ascertained it is considered most probable that the persons firstly in possession of the bomb whilst

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proceeding along the Lane observed some activity possibly on the part of some member of the U.K.F., such as searching some person and being apprehensive, he got rid of the bomb by entering the alleyway and throwing it over the wall, this action in itself would be so simple that it could easily be performed and pass unnoticed, the person concerned then made his getaway leisurely without any interference and apparently unobserved.

Mr. H.D.M. Robertson D.O. "A" Division, Mr. Aiers D.D.O. "A" Division attended the scene, whilst Mr. Bourne Commissioner of Police and Captain Smythe O.B.E. D.C. Divisions were informed of the above by telephone.

[Signature]
Sen. Det. i/c.

[Signature]
D. S. I.

D.D.O. "A" Div.